

## 10.1 Multistate Financial Institution Data Match

For the purpose of securing information leading to the enforcement of child support orders, section 466(a)(17) of the Social Security Act, as added by section 372 of Public Law 104-193 (PRWORA), mandates states to establish procedures under which the state Child Support Enforcement Agency (CSEA) will enter into agreements with financial institutions that do business in the state. The state CSEA must develop and operate, in coordination with financial institutions doing business in that state, a data match system. A financial institution is defined as “a depository institution, as defined in Section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)); ... an institution-affiliated party, as defined in Section 3(u) of such Act (12 U.S.C. 1813(u)); ... any Federal credit union or state credit union, as defined in Section 101 of the Federal Credit Union Act (12 U.S.C. 1752), including an institution-affiliated party of such credit union, as defined in Section 206(r) of such Act (12 U.S.C. 1786(r)); ... and any benefit association, insurance company, safe deposit company, money-market mutual fund, or similar entity authorized to do business in the state.”

The data match process requires each financial institution to provide to the state CSEA, on a quarterly basis, the name, address, social security number or other taxpayer identification number and other identifying information for each non-custodial parent, who maintains an account at the financial institution and owes past-due support as identified by the state CSEA. The state CSEA may provide the names and social security numbers, or other taxpayer identification numbers, to the financial institution or the state CSEA may accept a file of all accounts held by the financial institution for match by the state. These procedures must utilize automated data exchanges to the maximum extent feasible. The financial institutions are required to encumber or surrender the assets of the delinquent obligor held by the institution in response to a notice of lien or levy.

Public Law 105-200 added provisions to Title IV-D of the Social Security Act that expanded the authority of the Federal Parent Locator Service (FPLS) to assist states in conducting data matches with Multistate Financial Institutions (MSFI). The goals of the Multistate Financial Institution Data Match (MSFIDM) are to:

- reduce the burden and associated costs imposed on MSFIs and states to perform matching,
- maintain the integrity and security of the financial and child support data, and
- provide for the quick disbursement of matched data to the appropriate states.

In order to implement the provisions of the law, OCSE issued a Tax Offset Certification Addendum to the IV-D Directors of each state. The Addendum, when signed by a representative of the state, permits OCSE to act on behalf of the state in the exchange of data with the MSFI, using the case information from the Federal Offset File.

Beginning in March 1999, MSFIs received an Election Form Package. The package defined the methods of data transmission available between the MSFI and OCSE for participation in the MSFIDM. It includes an Election Form that the MSFI must return to indicate its decision to participate [or not] in the MSFIDM. The MSFIs electing to participate in the match must

also indicate on the Election Form the data transmission method selected, their reporting periods, and if appropriate, their designated data transmission service providers. The election form allows the MSFI to designate the week within the calendar quarter it chooses to receive the MSFIDM Quarterly File. Allowing the MSFI to elect different reporting periods controls the flow of returned data to the states.

MSFIs electing not to participate in the OCSE process in favor of participating with the individual states must identify the states in which they are currently operating. OCSE will notify the states immediately if an MSFI, operating within their state, elects not to participate in the MSFIDM.

### **10.1.1 INTERFACE WITH THE MULTISTATE FINANCIAL INSTITUTION**

States and Territories send OCSE information for the Federal Offset File. The information is used to intercept the Federal tax refunds and other Federal payments to delinquent obligors, to initiate U.S. Passport denial and/or, beginning in July 1999, to match account data with MSFIs. The Federal Offset System allows the state to designate individuals on the file to be excluded from one or more of these uses. The Federal Offset File is the state's interface to the MSFIDM process.

On a weekly basis the MSFIDM process accesses the Federal Offset File. The process selects eligible records, those without the Offset Exclusion Indicator Type of 'FIN' (Exclude for Financial Institution Data Match). The MSFIDM process attempts to verify the SSN and Name combination from the Federal Offset File using SSA's Enumeration Verification System. If the SSN and Name combination for the selected records verifies, an inquiry record is sent to the MSFI. If the SSN and Name combination do not verify, no inquiry record is sent to the MSFI. If multiple records are on the Federal Offset File for the same verified SSN, only one Inquiry Record is sent to the MSFI.

The MSFIDM process sends the inquiries to the MSFI in the format defined in the Financial Data Match Specification Handbook approved by the Office of Budget and Management on March 5, 1999 using Method Two – Matched Accounts Method. Each participating MSFI or its designated data transmission service provider receives an Inquiry File quarterly based on its selected reporting week. The Inquiry File sent represents the most current Federal Offset File information. The MSFI conducts an internal match against its open accounts and transmits a file to OCSE to report information on all accounts that are maintained by individuals on the Inquiry File. Section 466(a)(17)(D)(ii) of the Social Security Act defines an 'account' as "a demand deposit account, checking or negotiable withdrawal order account, savings account, time deposit account, or money-market mutual fund account".

The MSFI has up to forty-five business days to match the Inquiry File and return information to the FPLS on the accounts matching the Inquiry File. The MSFI must return the response in the format required by the Data Match Specifications Handbook for the Method Two Matched Accounts Method. The MSFI provides key information about the matched accounts and the address for lien/levy notices.

The MSFIDM Help Desk will track the Inquiry Files sent to and the Response Files received from the MSFI to ensure compliance with the forty-five day turn around time. Follow-up is initiated if the MSFI fails to respond within the specified time period.

OCSE will not reimburse MSFIs for the cost of processing the MSFIDM inquiries. If a state's law allows, the state CSEA may pay reasonable fees to financial institutions for conducting the data match. These fees must not exceed the actual costs incurred by the financial institution. If a MSFI chooses to recover the cost of processing the MSFIDM inquiries, it must bill the individual states. Following the processing of the MSFI Quarterly Response File, the MSFIDM process provides the MSFI with a statistical report of the number of matches made per state and the billing address of the states where fees are allowed. The MSFIDM process provides the states with quarterly reports on the number of matches made by MSFI.

### **10.1.2 MSFI RESPONSE PROCESSING**

The MSFIDM response process is executed daily, Monday through Friday. It edits the responses received from the MSFI Response Files failing critical edits are rejected and the MSFI is requested to submit a corrected file. The accepted MSFI Response Records are matched to the current Federal Offset File to determine the states interested in the account information returned by the MSFI. If a case has been deleted or the Offset Exclusion Indicator Type of 'FIN' has been added since the Inquiry File was sent to the MSFI, the MSFI Response Record will not be sent to the state. The FCR is accessed for each Response Record returned to check for the presence of a Family Violence Indicator. If the Family Violence Indicator is associated with the SSN, the MSFI Response Record will not be sent to the state(s). Once the Family Violence Indicator check is complete, the process matches the SSN on the MSFI matched account to the eligible records (undeleted records with a verified SSN and Name combination with a verified SSN and Name combination and without a Financial Institution data match exclusion indicator) on the Federal Offset File. An FCR MSFIDM Response Record is created for each eligible SSN matched on the Federal Offset File. For example if the state has two eligible records on the Federal Offset File for the same SSN (a TANF and a non-TANF case) only one Match Response Record is sent. If the MSFI has multiple accounts for the same SSN, Response Records are returned for each account matched to an eligible SSN on the Federal Offset File. The MSFIDM process combines the financial institution data and the account information into one FCR MSFIDM Response Record for each account matched. Payee addresses in the MSFIDM Responses are edited and, if possible, corrected. An informative set of address status codes is inserted into the returned records.

The MSFI Address Scrub Indicator always returns a code of 'GA' in the first indicator field (MSFI Address Scrub Indicator 1) because these addresses were validated before they were accepted for delivery to the states.

Appendix H, "FCR Output Transaction Layouts", includes a description of the FCR MSFIDM Response Record. Appendix E, "Data Dictionary", provides additional details about the data elements included on the record.

### **10.1.3 RETURNING MSFIDM RESPONSES TO THE STATES**

The FCR MSFIDM Response Records created from the MSFI responses are sorted by state. The FCR MSFIDM Response Records are sent to the state within two working days of the acceptance of the MSFI Response File. The record is returned to the state in the FCR Locate Response Batch. Appendix H, “FCR Output Transaction Layouts”, includes a description of the FCR Locate Response Batch. The FCR Locate Response Batch is included in the file transmitted daily to the states via CONNECT:Direct.

MSFI responses are only generated for records that have verified SSN/Name combination and that do not have Family Violence restrictions. Section 5.3.1, “SSN Verification in the FCR”, provides additional information about the SSN verification process outcomes.

### **10.1.4 ADDRESS EDITING OF MSFIDM RESPONSES**

In an effort to increase the reliability of the FCR MSFIDM response data, OCSE has implemented MSFI address and MSFI Matched Account Payee Address editing. The following sections describe the different way these addresses are treated.

#### **10.1.4.1 MSFI Address Editing**

New MSFI addresses are edited by the Pitney-Bowes’ FINALIST address editing software, and if required, verified by a telephone call to the institution. This process ensures that MSFI addresses are always correct and, therefore, the general-status address scrub code in the MSFIDM Response Records shows the MSFI addresses to be good.

#### **10.1.4.2 MSFI Matched Account Payee Address Editing**

United States addresses are edited, and if possible, corrected by the Pitney-Bowes’ FINALIST address editing software. Response Records provide the states with address scrub codes that summarize the deliverability status of the address, if and how the address was changed and, if applicable, the corrected address. This enhancement improves the quality of many of the United States addresses returned to the states, but it does not eliminate all incomplete or unusable addresses. Address information is sent to the states regardless of the results of the address editing process.

The FCR edits MSFI Matched Account Payee Addresses for completeness as follows:

The MSFI Matched Account Payee Address is passed to FINALIST, which compares it to its address database. These USPS-provided database files allow FINALIST to determine the house number range on the street, the unit number range in a multi-dwelling building, the existence of the street name in that city, the existence of the city name in that state, and the matching Zip Code. It can correct certain types of spelling and Zip Code errors. It can assign a Zip Code, if missing, by using its city/state/Zip database. It cannot correct a bad or missing house number, unit number, or street name, and is likely to fail in an attempt to correct a badly misspelled street name or city name.

Addresses that receive any of the following FINALIST response types are considered uncorrectable thus leaving the address unchanged in the Response Record.

- City name could not be matched to the state;
- Street name could not be found in the city; or
- House number is not in range for the street.

Addresses that receive the following FINALIST responses are considered complete:

- Good original address;
- Zip Code is changed or assigned;
- City name is corrected; or
- Street name is corrected.

In the following situations the address that is provided by MSFI remains unchanged and is in its source format:

- Foreign address;
- No address exists; or
- Uncorrectable bad U.S. address.

The address scrubbing codes are inserted into the MSFIDM Response Records as a set of three two-letter codes.

The first address scrub code represents the general status of the address. It is always present in the Response Record, regardless of the quality of the input address. This field contains one of the following codes, to indicate the results of the address editing.

- BA – Bad address: The address that was provided by the source remained unchanged because FINALIST was unable to correct the address.
- CH – Changed address: The address was corrected and is now considered by FINALIST to be a deliverable address.
- EA – Empty address: In the address that was provided by the Financial Institution, all of the address fields are spaces, therefore all of the address fields in the Response Record are spaces.
- FA – Foreign country address: The address was not edited and was left unchanged in its provided format because of the combined condition that FINALIST determined that it is not a good U.S. address and that the value in the foreign country code is other than spaces or 'US'. FINALIST determined it to be a foreign country address.
- GA – Good address: FINALIST has determined it to be a deliverable address.

The second and third address scrub codes further define the results of the address editing. The meaning of the second and third address scrub codes depends on the first address scrub code.

The scrub codes have intelligence in the first character. A 'B' in the first character indicates that something in the address is Bad: out of range or missing. An 'M' in the first character

indicates that there is a Mismatch between two address elements. A 'C' in the first character indicates that a Correction was made to the specified address element. An 'N' in the first character indicates that the address element is Non-determined. This pattern becomes complex when the specific combination of a second and a third code are compared to the first code. That is because, in the process of analyzing and trying to correct the address elements, FINALIST sets their scrub codes first. FINALIST then tries to correct the total address and determines the general status of the address. It is therefore necessary to check the actual meaning of a code in the context of the general status code before drawing inferences from the first letter alone.

The address scrubbing program may generate more than two detailed scrub codes however the FCR returns only up to two of the detailed scrub codes. The FCR returns the first two codes it encountered. To best utilize the two available positions for the detailed scrub codes, giving priority to codes that explain the reason for the failure of the address scrubbing, 'CA', 'CC', and 'CZ' will not follow a 'BA' in the first position.

No address scrubbing is performed on empty, foreign, and good addresses, therefore if EA, FA, or GA is in the first scrub code position, no second or third scrub code will follow.

If the first address scrub code is 'BA' or 'CH', the possible second and third address scrub codes are one or two of the following codes.

- BR – Bad range. Address scrubbing failed because the house number is out of range for that street.
- BU – Bad unit number. Following a 'BA': The unit number in a multi-dwelling unit has a non-standard format, is out of range or is missing. In PO Box addresses the box number does not match the Zip+4 code. Following a 'CH': The address element was deemed un-necessary, was standardized, or was corrected in the Response Record.
- BX – Missing state code or missing state code and Zip Code. Following a 'BA': Assigning Zip Code was attempted but the address that was provided by the Locate source failed scrubbing and remained unchanged in the Response Record. Following a 'CH': The state or the Zip Code was missing but was assigned in the Response Record.
- CA – Correction of address. A misspelled or non-standard street name was successfully corrected in the Response Record.
- CC – Correction of city name. A misspelled or non-standard city name was successfully corrected in the Response Record.
- CZ – Correction of Zip Code. The Zip Code was successfully corrected or assigned in the Response Record.
- MA – Mismatched address. The street name is not found in the city. Following a 'BA': The address that was provided by the Locate source failed scrubbing and remained unchanged in the Response Record. Following a 'CH': The address is deliverable because some addresses do not require a street name.
- MX – Mismatched state and Zip Code. Attempt was made to correct or assign Zip Code. Following a 'BA': The address that was provided by the Locate source failed scrubbing and remained unchanged in the Response Record. Following a 'CH':

- NC – The Zip Code was successfully corrected or assigned in the Response Record. Non-determined city name. The city name cannot be determined or is not in standard format. Following a 'BA': The address that was provided by the Locate source failed scrubbing and remained unchanged in the Response Record. Following a 'CH': The city name was successfully standardized in the Response Record.
- NZ – Non-determined Zip Code. The Zip Code could not be determined. The address that was provided by the Locate source failed scrubbing and remained unchanged in the Response Record.

## 10.2 FCR SSA Death Master File Processing

OCSE has obtained the SSA Death Master File for use in FCR processing. The SSA Death Master File provides the SSN, Name, Date of Death, Zip Code of Last Residence, and the Zip Code of Lump Sum Payment for persons reported to SSA as deceased. The file includes information only for verified SSN and Name combinations. OCSE receives updates to the SSA Death Master File on a monthly basis. The updates include newly reported dates of death, changes to previously reported dates of death, and deletions of erroneously reported dates of death.

The FCR Death Master File was built from the information provided on the SSA Death Master File and is updated with the information contained on the SSA Death Master Monthly Update Files.

The FCR matches verified FCR Primary SSNs against the FCR Death Master File and notifies the states that registered the person about the available death information. The FCR also effects date of death corrections for verified FCR Primary SSNs as contained in the monthly SSA Death Master File updates and notifies the respective states. This matching process is performed for all participant types with a verified FCR Primary SSN in both IV-D cases and Non IV-D cases, regardless of the presence of an FV Indicator.

If the SSA Death Master File reports an SSN for an individual who has valid multiple SSNs and the reported SSN is other than the FCR Primary SSN, the record will not match. Therefore, the state is not notified of the record in that case.

During the initialization process, the verified FCR Primary SSNs for all participant types were matched against the FCR Death Master File. If a match was made, the FCR Person Record was updated with the Date of Death. This process is repeated for each of the SSA Death Master Monthly Update Files.

The SSA Death Master and Monthly Update Files can include '00' as a valid value in the day portion of the Date of Death Field. When this occurs, the day portion of the Date of Death Field on the FCR Person Record is defaulted to '01'.

It was also determined that there are a few SSA Death Master File Records that include Dates of Birth that are the same as the Dates of Death. After discussion with the states, it was

decided that the FCR should return the Date of Death information as reported on the SSA Death Master File.

Upon implementation of the FCR Death Master File, all of the Person Records on the FCR with verified FCR Primary SSNs were matched to the FCR Death Master File. This matching process was performed for all participant types in both IV-D and Non IV-D cases, regardless of the presence of an FV Indicator. If a match was made, an FCR Query/Proactive Match Response Record (Record Identifier 'FT') was generated that provided the new death information.

This matching process is also performed upon the receipt of an SSA Death Master Monthly Update File. If a match is made the FCR Query/Proactive Match Response Record is generated. In order to identify the reason for the Proactive Match, an additional value of 'D' (SSA Date of Death File Update) was added for the Action Type Code. The SSA Date of Death Indicator in position 755 indicates if the death information is flagged to be added, changed or deleted from the state system. The matching process only includes information for the matched person. Associated person information is not provided during the matching process for the SSA Death Master File. Associated person information is returned for FCR-to-FCR Proactive Matching processing. Refer to Section 4.2.4.1, "FCR-to-FCR Internal Search" for more information on FCR-to-FCR Proactive Matching. Appendix H, "FCR Output Transaction Layouts", includes a description of this record. The record was also modified to include, in an area previously defined as Filler; the following death related information:

- SSA Date of Death Indicator
- SSA Zip Code of Last Residence
- SSA City of Last Residence
- SSA State of Last Residence
- SSA Zip Code of Lump Sum Payment
- SSA City of Lump Sum Payment
- SSA State of Lump Sum Payment

On a daily basis, the FCR matches accepted FCR Input Person/Locate Request Records (Record Identifier 'FP') that contain a verified Primary SSN against the FCR Death Master File. This matching process is performed for all participant types, regardless of the presence of an FV indicator, when one of the following Action Type Codes is present:

- 'A' – Add the person to the FCR,
- 'C' – Change information for a person on the FCR, or
- 'L' – Locate Request.

If a match is made, the death information is returned on the FCR Person/Locate Request Acknowledgement/Error Record (Record Identifier 'FS'). The Acknowledgement is sent whenever the Date of Death is present, even if the state elected to suppress the Acknowledgements when no error or warning codes are present. The Date of Death Field will contain the default of '01' when the SSA Death Master File contained '00' in the day portion of the Date of Death Field. Refer to Appendix H, "FCR Output Transaction Layouts", for a description of this record. The record includes the following death related information:



- SSA Zip Code of Last Residence
- SSA Zip Code of Lump Sum Payment
- SSA City of Last Residence
- SSA State of Last Residence
- SSA City of Lump Sum Payment
- SSA State of Lump Sum Payment

The FCR sends the Zip Code of Last Residence and the Zip Code of Lump Sum Payment to FINALIST for verification. If FINALIST verifies these Zip Codes, the FCR retrieves the City and state that are associated with these Zip Codes from the FINALIST database and returns them to the state in the Response Record. If FINALIST does not verify the Zip Codes, the Zip Codes are not returned to the states.

### 10.3 FCR Data Inconsistency File

Upon request, the FCR produces a quarterly FCR Data Inconsistency File that contains detailed information of identified data inconsistencies between Participant Type, Order Indicator, Date of Birth and Sex Code. The file contains detailed information for active Participant Types 'CH', 'CP', 'NP' and 'PF' on IV-D cases that have a verified SSN. Participants with an FV Indicator are not included on the file.

This process was developed to allow the requesting state an opportunity to make corrections, thereby improving the quality of the data on the FCR. States should be aware that inconsistencies that were reported in a prior quarter will continue to be reported on each FCR Data Inconsistency File until they are corrected by the state.

If no inconsistencies are found, the requesting state will not receive FCR Data Inconsistency File Records. The FCR Reconciliation/Data Inconsistency File Header Record will be returned followed by the FCR Reconciliation/Data Inconsistency File Trailer Record. The Trailer Record will contain zeros in the Person Records Returned Field and in the fields containing the counts of the number of data inconsistency warning codes. The Response Record Count Field will contain a count of '00000000002'. The Header and Trailer Record are included in this count. Refer to Appendix H, Charts H-15, "FCR Reconciliation File/Data Inconsistency File Header Record", H-18, "FCR Reconciliation File/Data Inconsistency File Trailer Record", and H-23, "FCR Data Inconsistency File Record", for a description of the FCR Data Inconsistency File output record layouts.

The following data consistency edits are performed for the FCR Data Inconsistency File. The Warning Codes that correspond to the edits are returned on the FCR Data Inconsistency File Record:

- IW001** The Participant Type is 'PF' (Putative father) and the Order Indicator is 'Y' (The state system has a record of the existence of a child support order that is applicable to this case).
- IW002** The Participant Type is 'CP' (Custodial party), 'NP' (Non-custodial parent) or 'PF' (Putative father), and the participant age is less than 11 years.

**IW003** The Sex Code is not 'F' (Female) or 'M' (Male).

**IW004** The Participant Type is 'PF' and the Sex Code is 'F'.

These warning codes are not returned on any other FCR Response Records.

States may choose to begin receiving the quarterly FCR Data Inconsistency File via CONNECT:Direct by sending a letter that contains the information in Section L.2, "FCR Data Inconsistency File", of Appendix L, "FCR Options for Data Received", to the Federal Office of Child Support Enforcement (OCSE). The letter should be signed by an individual authorized to make decisions affecting the statewide Child Support System. States that do not send a letter will not receive the FCR Data Inconsistency File. In order to facilitate prompt handling of the request, please include in the request the following information:

## 10.4 SSA's State Verification and Exchange System (SVES)

The FCR Locate process now provides states with access to SVES databases as follows:

<b>Title II</b>	SSA Retirement, Survivors, Disability, and Health Insurance Benefits Information;
<b>Title XVI</b>	Supplemental Security Income Benefits Information; and
<b>Prisoner</b>	Information about inmates in Federal, state and local correctional facilities.

The FCR will provide SVES information to state CSEAs for all Locate Request types. An SVES Response Record has a Record Identifier equal to 'FK'. The four types of SVES Locate Responses are Title II, Title XVI, Prisoner, and No SVES Match, which are respectively identified by Locate Source Response Agency Code equal to 'E05', 'E06', 'E07' and 'E10'. SVES Response Records are presented in Appendix H, "FCR Output Transaction Layouts". SVES is not included in the bundling process.

States may choose to begin receiving SVES Locate Responses by completing and submitting the "FCR SVES/AWR Data Election Form", which is Figure L-5 in Appendix L, "FCR Options for Data Received". States that do not complete the form will continue to receive E01/AWR (Annual Wage Reporting) and E03/MBR (Master Beneficiary Record) Locate Response Records in response to an E01 Locate Request. If a state opts to receive SVES information, a Locate Request that contains 'E01' or 'ALL' in one of the Locate source fields results in the receipt of any matching information from the SVES Title II, Title XVI and Prisoner Databases. States that opt to receive SVES information may opt to receive E01/AWR information in addition to the new SVES information by indicating this choice on the SVES Request Form.